

Operations

Analyst: Hancock

Historical Summary

| OPERATING BUDGET | FY 2005 Total App | FY 2005 Actual | FY 2006 Approp | FY 2007 Request | FY 2007 Gov Rec |
|---------------------------------|------------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| BY FUND CATEGORY | | | | | |
| General | 244,022,100 | 244,022,100 | 250,479,500 | 256,644,500 | 255,502,400 |
| Dedicated | 26,907,800 | 26,607,800 | 27,082,800 | 28,643,900 | 28,643,900 |
| Federal | 5,314,600 | 5,288,500 | 5,550,800 | 5,887,200 | 5,887,200 |
| Total: | 276,244,500 | 275,918,400 | 283,113,100 | 291,175,600 | 290,033,500 |
| Percent Change: | | (0.1%) | 2.6% | 2.8% | 2.4% |
| BY OBJECT OF EXPENDITURE | | | | | |
| Lump Sum | 276,244,500 | 275,918,400 | 283,113,100 | 291,175,600 | 290,033,500 |

Division Description

Provide state and federal funding in support of the operations of Idaho's public charter schools and 114 school districts, grades K-12.

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Comparative Summary

| Decision Unit | Agency Request | | | Governor's Rec | | |
|---------------------------------------|----------------|--------------------|--------------------|----------------|--------------------|--------------------|
| | FTP | General | Total | FTP | General | Total |
| FY 2006 Original Appropriation | 0.00 | 250,479,500 | 283,113,100 | 0.00 | 250,479,500 | 283,113,100 |
| HB 395 One-time 1% Salary Increase | 0.00 | 8,234,700 | 8,234,700 | 0.00 | 8,234,700 | 8,234,700 |
| FY 2006 Total Appropriation | 0.00 | 258,714,200 | 291,347,800 | 0.00 | 258,714,200 | 291,347,800 |
| Removal of One-Time Expenditures | 0.00 | (8,234,700) | (8,234,700) | 0.00 | (8,234,700) | (8,234,700) |
| Base Adjustments | 0.00 | (395,900) | (395,900) | 0.00 | (395,900) | (395,900) |
| FY 2007 Base | 0.00 | 250,083,600 | 282,717,200 | 0.00 | 250,083,600 | 282,717,200 |
| Benefit Costs | 0.00 | 576,800 | 576,800 | 0.00 | 0 | 0 |
| Public School Base Salary Increase | 0.00 | 1,105,500 | 1,105,500 | 0.00 | 0 | 0 |
| Nondiscretionary Adjustments | 0.00 | 4,734,800 | 4,734,800 | 0.00 | 4,728,800 | 4,728,800 |
| FY 2007 Program Maintenance | 0.00 | 256,500,700 | 289,134,300 | 0.00 | 254,812,400 | 287,446,000 |
| 1. Base Salary Increase | 0.00 | 2,210,900 | 2,210,900 | 0.00 | 2,757,100 | 2,757,100 |
| 2. Federal Funds Increase | 0.00 | 0 | 336,400 | 0.00 | 0 | 336,400 |
| 3. State Discretionary \$ Decrease | 0.00 | (2,067,100) | (506,000) | 0.00 | (2,067,100) | (506,000) |
| FY 2007 Total | 0.00 | 256,644,500 | 291,175,600 | 0.00 | 255,502,400 | 290,033,500 |
| Change from Original Appropriation | 0.00 | 6,165,000 | 8,062,500 | 0.00 | 5,022,900 | 6,920,400 |
| % Change from Original Appropriation | | 2.5% | 2.8% | | 2.0% | 2.4% |

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| Budget by Decision Unit | FTP | General | Dedicated | Federal | Total |
|---|------|-------------|------------|-----------|-------------|
| FY 2006 Original Appropriation | 0.00 | 250,479,500 | 27,082,800 | 5,550,800 | 283,113,100 |
| HB 395 One-time 1% Salary Increase | | | | | |
| Reflects a one-time 1% Change in Employee Compensation (CEC) increase. | | | | | |
| Agency Request | 0.00 | 8,234,700 | 0 | 0 | 8,234,700 |
| Governor's Recommendation | 0.00 | 8,234,700 | 0 | 0 | 8,234,700 |
| FY 2006 Total Appropriation | | | | | |
| Agency Request | 0.00 | 258,714,200 | 27,082,800 | 5,550,800 | 291,347,800 |
| Governor's Recommendation | 0.00 | 258,714,200 | 27,082,800 | 5,550,800 | 291,347,800 |
| Removal of One-Time Expenditures | | | | | |
| Removes funding provided for HB395, the 27th pay period, and other one-time items. | | | | | |
| Agency Request | 0.00 | (8,234,700) | 0 | 0 | (8,234,700) |
| Governor's Recommendation | 0.00 | (8,234,700) | 0 | 0 | (8,234,700) |
| Base Adjustments | | | | | |
| Includes the phase-out of the funding Floor program and transfers between programs to reflect proper allocation of unemployment insurance dollars. | | | | | |
| Agency Request | 0.00 | (395,900) | 0 | 0 | (395,900) |
| Governor's Recommendation | 0.00 | (395,900) | 0 | 0 | (395,900) |
| FY 2007 Base | | | | | |
| Agency Request | 0.00 | 250,083,600 | 27,082,800 | 5,550,800 | 282,717,200 |
| Governor's Recommendation | 0.00 | 250,083,600 | 27,082,800 | 5,550,800 | 282,717,200 |
| Benefit Costs | | | | | |
| Reflects a proposed increase in employer-paid PERSI retirement contribution rates, from 10.39% to 11.00%. | | | | | |
| Agency Request | 0.00 | 576,800 | 0 | 0 | 576,800 |
| Governor's Recommendation | 0.00 | 0 | 0 | 0 | 0 |
| Public School Base Salary Increase | | | | | |
| Reflects a 1% increase in base salaries. | | | | | |
| Agency Request | 0.00 | 1,105,500 | 0 | 0 | 1,105,500 |
| The Governor's recommendation for public school base salary increases is included under the first line item. | | | | | |
| Governor's Recommendation | 0.00 | 0 | 0 | 0 | 0 |
| Nondiscretionary Adjustments | | | | | |
| Nondiscretionary Adjustments include an increase of 300 support units (\$2,514,400), and an increase in pupil transportation costs (\$2,220,400). Of the transportation costs, \$561,000 are associated with the costs of transporting virtual education to students, and \$1,659,400 are associated with traditional pupil transportation. | | | | | |
| Agency Request | 0.00 | 4,734,800 | 0 | 0 | 4,734,800 |
| Governor's Recommendation | 0.00 | 4,728,800 | 0 | 0 | 4,728,800 |
| FY 2007 Program Maintenance | | | | | |
| Agency Request | 0.00 | 256,500,700 | 27,082,800 | 5,550,800 | 289,134,300 |
| Governor's Recommendation | 0.00 | 254,812,400 | 27,082,800 | 5,550,800 | 287,446,000 |

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| Budget by Decision Unit | FTP | General | Dedicated | Federal | Total |
|---|------|-------------|------------|-----------|-------------|
| 1. Base Salary Increase | | | | | |
| This line item would provide ongoing funding for a 2% increase in the base salary component of the public school funding formula for classified staff, in addition to the 1% increase requested above. This requested percentage increase is identical to the increases being requested for administrators and teachers. The Legislature funded a 1% base salary increase for classified staff in FY 2005. The decision of whether or not to fund base salary increases does not automatically translate into whether or not school district employees receive pay increases, since all salary decisions are made locally. This enhancement is, however, one of several key decision points that impact how much money school districts will have available for pay increases. | | | | | |
| Agency Request | 0.00 | 2,210,900 | 0 | 0 | 2,210,900 |
| <i>The Governor recommends a 3% base salary increase for classified employees, from \$18,648 to \$19,114.</i> | | | | | |
| Governor's Recommendation | 0.00 | 2,757,100 | 0 | 0 | 2,757,100 |
| 2. Federal Funds Increase | | | | | |
| This line item would provide an increase in federal funds spending authority for the portion of federal funds that are attributable to operations. All federal funds in the Public Schools budget are pass-through funds that are ultimately spent by local school districts and public charter schools. | | | | | |
| Agency Request | 0.00 | 0 | 0 | 336,400 | 336,400 |
| Governor's Recommendation | 0.00 | 0 | 0 | 336,400 | 336,400 |
| 3. State Discretionary \$ Decrease | | | | | |
| This line item would provide a net decrease in state discretionary funding. Although endowment distributions would increase by \$1,561,100, due to increased fund investment values, the General Fund money available for discretionary spending is requested to decrease by \$2,067,100, for a net decrease of \$506,000 in state discretionary funds. It should be pointed out that this request would still result in a projected 5% increase in total discretionary funds available per support unit. The reason for this increase is the rapid rise in Idaho's property values. Unlike all other types of property tax levies, the Public Schools Maintenance & Operations levy (M&O) does not decrease when property values escalate rapidly. Since it is a fixed rate levy (three tenths of one percent of taxable property value), rapid increases in property values result in rapid increases in M&O property taxes. It is projected that the total amount of M&O property taxes collected in FY 2007 will increase by over 15%, barring other legislative changes. | | | | | |
| Agency Request | 0.00 | (2,067,100) | 1,561,100 | 0 | (506,000) |
| Governor's Recommendation | 0.00 | (2,067,100) | 1,561,100 | 0 | (506,000) |
| FY 2007 Total | | | | | |
| Agency Request | 0.00 | 256,644,500 | 28,643,900 | 5,887,200 | 291,175,600 |
| Governor's Recommendation | 0.00 | 255,502,400 | 28,643,900 | 5,887,200 | 290,033,500 |
| Agency Request | | | | | |
| Change from Original App | 0.00 | 6,165,000 | 1,561,100 | 336,400 | 8,062,500 |
| % Change from Original App | | 2.5% | 5.8% | 6.1% | 2.8% |
| Governor's Recommendation | | | | | |
| Change from Original App | 0.00 | 5,022,900 | 1,561,100 | 336,400 | 6,920,400 |
| % Change from Original App | | 2.0% | 5.8% | 6.1% | 2.4% |